

subcontractor, Boeing, must first be negotiated before the AV-1 team completed final negotiations. The second was a limit on the percentage of profit. These two stipulations were outside the direct control of the AV-1 team and either, alone, could have stopped timely completion of the procurement. They did not. When all was said and done, the team completed the Boeing negotiations, and the profit limitation was not breached.

No Games, No Tricks

The AV-1 team completed negotiations in three days, with the government's offer considered a FABIO (First and Best Initial Offer). Capitalizing on all the work the AV-1 team had done, the government's offer was intended to reach quick, fair, and equitable negotiated settlement. There would be no games, no tricks, and the government would in no way destroy the AV-1 team's trust and camaraderie — an environment created through the hard work and mutual efforts of the entire AV-1 team. The negotiations were to end the procurement the same way it started — as a team. And the AV-1 team's purpose remained the same: to work together with the mutual goal of successfully completing the AV-1 negotiation on schedule and within the budget dictated by Congress.

One of the problems with the procurement was no-bids as a result of parts obsolescence. Subcontractors may not be building a part anymore because the company went out of business, the part may be based on old technology, or building parts in quantities of only one or two is no longer a profitable venture. The AV-1 found alternative sources for parts to overcome this obstacle.

Another problem was a decision to use spare parts, originally earmarked for the existing fleet, to lower the cost of the procurement. The depots' upper management originally opposed the decision. A study completed by the AV-1 team changed their position. This study, based on probabilities and estimates, projected the likelihood that a specific part would be used. Then, it was determined how many were available for immediate use. Essentially, we were able to procure installs from the spare inventories at the depots. Money was given to the depots to make or buy some replacements.

As we alluded to earlier in this article, the last problem encountered was between the prime subcontractor, Boeing, and Northrop-Grumman. Rate negotiations between Boeing and DCMC came

to a standstill. Northrop-Grumman, Boeing, and the SPO discussed and dissected the problem. Hourly telephone calls between team members and the two companies became commonplace. This entailed late nights for the SPO because of the time difference between the East and West Coasts and even a Saturday. After only two days, negotiations resumed. A forward pricing rate agreement issued for Boeing enabled Northrop-Grumman and Boeing to complete their negotiations. The following day, the AV-1 team completed negotiations. The AV-1 team members' unselfish dedication to the completion of the procurement was key to meeting and even surpassing the goals of this procurement.

A Way of Life

The Paradigm Process is not just a way to do procuring; it is a way of life. Working with people, building trust, making friends, keeping promises, accomplishing a joint goal is the way that individuals, groups, teams, corporations, and nations should treat each other.

Editor's Note: For questions or comments on this article, contact White at Tony.White@afit.af.mil and Kesler at Twyla.Kesler@wpafb.af.mil.

BRYANT STUDENT AZEL KODI AWARDED DSMC COMMENDATION

The Defense Systems Management College Commendation Award was presented to Azel Kodi in a ceremony at Bryant Adult Alternative School, Alexandria, Va., Feb. 11, 2000, as part of the DSMC-Bryant School Partnership in Education Program. Presenting the award was DSMC Deputy Dean, College Administration and Services Dave Scibetta.

Kodi was born in Sudan and lived in Egypt four years before immigrating to the United States in 1996 at the age of 17. Soon after arriving, she enrolled at Bryant Adult Alternative High School. A member of the National Honor Society, she maintains a 3.9 grade point average. She is also on the Student Leadership Committee. Azel plans to enroll in

Northern Virginia Community College and pursue a career in engineering.

The DSMC Commendation Award is given to honor students who improve and maintain a 2.8 grade point average; exhibit community involvement through participation in school activities; volunteer for leadership opportunities; demonstrate good citizenship skills; exhibit upstanding behavior in school and community; attend classes regularly; and exhibit responsibility by assisting teachers and other students in classroom activities. The award is presented semiannually and reflects the ideals in DSMC's motto: *Ductus Doctrina Dominato*, or Leadership, Scholarship, Management.

